DOCKET SECTION

BEFORE THE POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001

Nov 4 4 37 PM 197

POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

WRITTEN RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS ALEXANDROVICH TO ORAL CROSS-EXAMINATION

The United States Postal Service hereby provides the following written responses of witness Alexandrovich to oral questions posed at the hearing on October 22, 1997 by the Office of the Consumer Advocate.

The questions are stated with transcript references and are followed by the responses.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

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Answer of Joe Alexandrovich to Questions Posed by Office of the Consumer Advocate During Oral Cross-Examination

OCA Oral Cross-Examination: Tr. 13/7176 refers to workpaper A-3, page 20.1. The questions are on pages 7176-7177. The first question is: what is "the source of those percentages and those volume variabilities" found in workpaper A-3, page 20.1? The second question is: "if one of those percentages were manually changed, or we wanted to change that, a percentage, would that change be made at this point, from this point on in your workpapers, or do you have to go back to an initial program?"

OCA Oral Cross-Examination Response:

- 1. Please refer to Attachment I that accompanies this response. Column (2) shows the footnotes on page 20.1 of workpaper A-3 that are the basis for the questions.

 Column (3) shows the source referenced in the footnotes. Column (4) shows the footnotes referenced in column (3) and the sources for column (4) appear in column (5). Likewise, column (6) shows the footnotes referenced in column (5) and the sources for column (6) appear in column (7). After walking through the series of footnotes, the source of all the percentages is USPS Library Reference H-24.
- 2. Any change to the volume variabilities that appear on page 20.1 of workpaper A-3 would be made in workpaper A-1, Manual Input Requirement. This is the initial step in the Postal Service's cost model; thus, all the subsequent workpapers would be impacted accordingly.

Attachment I
Witness Alexandrovich Response
to OCA Oral Cross-Examination

Component (1)	WP A-3 20.1 Footnote (2)	Source (3)	WP A-3 Page Footnote (4)	Source (5)	WP A-1 Page Footnote (6)	Source (7)
CFS	1	A-3, pp 3-4, col 1	A-3, p. 4.1, ftnt 1	A-1, pp. 105-106, ftnt 6	A-1, p. 106.1, fint 6	L-REF-H-24
OCR Pref	2	A-3, pp 5-6, col 1	A-3, p. 6.1, ftnt 1	A-1, pp. 107-108, ftnt 5	A-1, p. 108.1, ftnt 5	L-REF-H-24
Non-pref	-		A-3, p. 6.1, ftnt 1	A-1, pp. 119-120, ftnt 1	A-1, p. 120.1, ftnt 1	L-REF-H-24
MPBCS	3	A-3, pp 5-6, col 2	A-3, p. 6.1, ftnt 2	A-1, pp. 107-108, ftnt 6	A-1, p. 108.1, ftnt 6	L-REF-H-24
CSBCS	4	A-3, pp 5-6, col 4	A-3, p. 6.1, ftnt 4	A-1, pp. 109-110, ftnt 2	A-1, p. 110.1, ftnt 2	L-REF-H-24
DBCS	5	A-3, pp 5-6, col 3	A-3, p. 6.1, ftnt 3	A-1, pp. 109-110, ftnt 1	A-1, p. 110.1, ftnt 1	L-REF-H-24
LSM	6	A-3, pp 5-6, col 5	A-3, p. 6.1, ftnt 5	A-1, pp. 109-110, ftnt 3	A-1, p. 110.1, ftnt 3	L-REF-H-24

DECLARATION

I, Joe Alexandrovich, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

Dated: ____// /97_

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

Śusan M. Duchek

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 (202) 268–2990; Fax –5402 November 4, 1997